



Tom Barrett
Mayor, City of Milwaukee

For Immediate Release:
September 27, 2011

Contact: Jodie Tabak
(414)286-8504

BARRETT DELIVERS 2012 BUDGET TO COMMON COUNCIL

MILWAUKEE-Mayor Tom Barrett, in his annual city budget address, set out next year's fiscal plan calling for "intelligent and responsible" action and careful planning.

The Mayor's 2012 budget includes no new layoffs, innovative changes that boost service, appropriate maintenance of city infrastructure, and steady involvement in job-creating economic development activities.

In outlining next year's budget to the Milwaukee Common Council on Tuesday, the Mayor reflected on the work in past years to respond to the difficult fiscal challenges in recent years.

"The proof of our sound response has been in the results: lower crime, job creation, improved infrastructure, redevelopment success stories, effective delivery of core services, and a Moody's credit rating superior to that of the County and the State of Wisconsin," Mayor Barrett said.

In his remarks, the Mayor cautioned that future pension fund contributions will pose notable challenges in the coming years. Estimates for 2013 and beyond project required pension contributions of between \$58-million and \$80-million per year. The proposed budget calls for building a pension reserve fund to avoid financial crises in future budgets.

The Mayor acknowledged the increasing demands and increasing financial pressures on city employees who, he said, have "time and again risen to the challenge." In 2012, city workers will pay a significantly higher price for their employee benefits, and the city health plan will undergo changes that will be more costly for plan participants.

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The proposed budget includes initiatives that the Mayor highlighted in his remarks including:

- Increasing library service hours and an expansion of the Teacher in the Library program.
- Dedicating health department resources to evidence-based home visitation services to improve prenatal health and birth outcomes.
- Enhancing the Fire Department's capacity to respond to medical emergencies with two-person squads located in parts of the city with the highest volume of such calls.
- Promoting recycling with changes to a single-stream structure and providing additional recycling carts at no charge which will increase recycling revenue by more than \$700-thousand.

Mayor Barrett observed that worldwide economic conditions continue to be a drag on the Milwaukee economy. He called for sustained efforts to attract and retain good, private sector jobs. He cited recent Census Bureau poverty and income numbers as a reminder of the plight many citizens face.

"Now is the time to reaffirm our moral commitment to do all we can to lift families out of poverty and to provide necessary and essential services to all our citizens for years to come," Mayor Barrett said.

The city budget manages the continuing cuts in state shared revenue and expenditure restraint resources. In inflation-adjusted figures, the city will receive \$80-million less from the State of Wisconsin than it did in 2003.

The Mayor's 2012 budget promotes financial sustainability. The proposed tax levy will increase by less than two-thirds of one percent. If approved by the Common Council, the Mayor's budget will cost the typical residential property owner approximately \$20 more from the combined costs of tax levy and municipal charges.

The proposed budget will undergo review and amendment by Milwaukee Common Council members. The approved budget will be finalized in November.